

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 1866 - SB 2096**

February 6, 2016

**SUMMARY OF BILL:** Authorizes manufacturers of intoxicating liquors to use items related to or incidental to the tasting of alcoholic beverages to be mixed with such alcoholic beverages anywhere that tastings are permitted.

Authorizes manufacturers to rent or lease any portion of their premises for any event, with or without charge. Requires a special occasion license in order to hold an event. Requires prior approval from the Alcohol and Tobacco Tax and Trade Bureau for events to be held on bonded premises or general premises as defined in 27 CFR part 19.

Authorizes owners, officers, employees, representatives, and agents to handle the product at any tastings permitted by law and further authorizes such individuals to hold both a distiller's permit and an on-premises retail employee's permit. Authorizes the holding of a distiller's representative's permit for more than one manufacturer.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – Exceeds \$5,000/ABC Fund**

Assumptions:

- According to the Alcoholic Beverage Commission (ABC), the fee for a distiller's representative permit is \$50 annually.
- Based on information provided by ABC, the number of additional permits issued as a result of the additional authorizations is reasonably estimated to exceed 100 in any given year with permits being renewed annually.
- A recurring increase in state revenue to ABC exceeding \$5,000 (100 permits x \$50).
- Authorizing manufacturers that are currently permitted to allow tastings to use additional items to compliment the tastings will not result in an increased number of manufacturers or locations where inspection will be required by ABC; therefore no additional personnel will be required.
- Authorizing additional locations to be used as venues for special events will not have a significant fiscal impact on state or local government licensing revenue.

- The Department of Revenue confirms that any impact to state or local tax revenue will be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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